

TO: Sen. Robert Olson, Chair
Senate Committee on Commerce

FROM: Clifford W. Illig

SUBJECT: Senate Bill No. 124

DATE: February 9, 2021

Chairman Olson, Members of the Committee: Thank you for the opportunity to submit testimony in favor of STAR bond reauthorization. The issue of STAR bond reform, and continuing this very effective economic development program, is a topic that is important to me personally, and is extremely important for the State of Kansas. As you know, I am a card-carrying evangelist for economic development and growth for the State of Kansas and welcome every opportunity to help create a more robust, diverse regional economy here. It is my understanding, per its very text, the purpose of the Kansas STAR Bond Act is to do just that: “promote, stimulate and develop the general and economic welfare of the State of Kansas and its communities[.]”

As we do not have mountains or beaches in Kansas; nor do we live in a major financial center like New York, Los Angeles, Chicago or Washington DC; we don't have some of the magnets that other areas of the country use to attract new and growing enterprises. However, what we do have here is a bunch of hard-working people, a number of high-potential growth opportunities, and one of, if not, *the* strongest economic development tools in the country in STAR bonds. This program is the envy of other states and for good reason.

For example, take the story of moving the Sporting Kansas City professional soccer franchise, who was an underachieving second tenant to the Chiefs at Arrowhead in eastern Kansas City, Missouri, across the state line to Village West in Wyandotte County. We now have our first major league professional sports team in Kansas generating impressive event activity levels, fan

growth, broadcast interest and championships which all bring significant national and world-wide attention to Kansas. It wouldn't have been possible without STAR bonds. Frankly, without the STAR bond investment made by Kansas and the Unified Government of Wyandotte County (the UG), we would have built the soccer stadium elsewhere, and the team with all of its activity would not have been a part of the incredible resurgence of western Wyandotte County.

Thanks to STAR bonds, Children's Mercy Park is now one of the most popular tourist destinations in the entire State. Major League Soccer now speaks openly about Sporting KC being MLS' "model franchise"; with its state-of-the-art venue that's been home to sold-out crowds for almost every game, with its best-in-class operating model and a great on-the-field record. Children's Mercy Park has become one of the go-to venues for professional, international and collegiate events. Attendance at CMP soccer games and many non-game day events hosted at the stadium now exceeds 500,000 each year. More specifically, over the past nine years, Children's Mercy Park has hosted 6 US Men's National Team games, 4 US Women's National Team games, 6 Concacaf or Tournament of Nations tournament games, 6 Sporting KC playoff and championship games, the MLS All-Star Game, 6 notable international friendly matches, an NCAA Division II Football National Championship, and 9 significant stadium concert events.

The public-private partnership between the State, the Unified Government and Sporting KC that leads to the development of our world-class stadium is a true success story. It was the catalyst that spurred other surrounding and supportive development, including the U.S. Soccer's National Training Center and tournament fields complex that has further amplified Kansas City's reputation as the soccer capital of the United States. Each year, we welcome about a thousand

coaches and referees from across the country to Kansas for training. Also, Kansas City is now one of sixteen finalist U.S. cities competing to be one of ten stadium venues to host games for World Cup 2026, the largest sporting event in the world. If Kansas City becomes a host city for World Cup games it can mean as much of \$600 to \$700 million in regional economic impact in the summer of 2026. All of this is because of STAR bonds.

In addition to a state-of-the-art sporting venue, other STAR bond-enabled investments and attractions have established Village West as a multi-dimensional destination that helped another public-private partnership bring Cerner to the area, along with its thousands of high-paying jobs that generate earnings, spending and residential growth for KCK and other Kansas communities. With this and similar examples, it is clear public/private partnerships that leverage proper, prudent STAR bond investments with the significant complimentary capital invested by private interests are key to continue to advance our State's economic development goals.

What better way to do that than through returning to our agricultural roots and developing the "Epicenter of Agriculture" right here at home?

What we've done for soccer, we are poised to do for food and agriculture with the American Royal project. Land has been acquired and the development plan has been approved by the UG. Due to the uncertainties tied to COVID, we did slow the project but anticipate re-energizing the plan over the next few months and establishing a new timeline for the development. It is our goal that construction will begin before the end of the year. As we move forward, special attention will be paid to developing a facility that can successfully host events and activities in a post-COVID19 era.

The new American Royal complex will be a place where relevant conferences, collaborations and events focused on innovations in food, fiber and fuel can happen, and where people of all ages and backgrounds can come together to learn, to exchange, to celebrate and to advance an industry that impacts each and every one of us every single day. In addition, the new American Royal complex will host, and help to expand and grow, its tradition of celebrating the region's rich agricultural heritage through livestock shows, the World's largest barbecue contest, one of the Midwest's largest and oldest livestock exhibitions, professional rodeos and prestigious horse shows, the national championship saddle bred horse competition and a variety of other events and activities that have brought folks to Kansas City since 1899.

This public-private partnership between the State, the UG and the American Royal Association will allow for an expansion of the current fourteen-week programming schedule to 365 days of the year. The American Royal is expected to grow from 200 event days currently to over 700 annually in the future. In its present, very limited venue in Kansas City, Missouri, the American Royal attracts contestants from over 50 states and 16 countries around the World to compete in its various events. As our plans are developing we have been contacted by over 80 other organizations who would like to bring an impressive array of new events to Kansas and to the American Royal. Even in 2020, the current American Royal hosted it's largest livestock show in history creating even greater anticipation for the new facility to open. Just think about what happens to our numbers with the addition of a state-of-the-art, nearly one-million-plus square foot agricultural epicenter right here in the heart of our country; right here in Kansas. Like Sporting KC did for soccer, the American Royal will make Kansas a prominent, nationally-

recognized location for food and agriculture, which will—in turn—attract private business partners and create synergies that foster even more growth and development; all because of STAR bonds.

In my view STAR bonds have yet another opportunity to boost the State. As many of you know, I, with the help a number of other civic leaders in Kansas City, started EnterpriseKC as a business-led economic development entity focused on enterprise development and job growth within specific industry clusters designed to create substantial economic lift for the state. EnterpriseKC has developed a disruptive, scalable, data-driven approach to identify high-potential enterprises – both large and early stage – and to develop programs that drive the accelerated growth of enterprises throughout the State, expanding the regional job base, the talent supply chain, new research dollars, and access to capital. In addition to agriculture and plant and animal sciences, one of the clusters we have identified as a high-potential opportunity for the State is cybersecurity. EnterpriseKC recently developed a comprehensive roadmap for the Kansas to become a cybersecurity center of excellence with the capacity to add thousands of jobs and new revenue for the State. Many of the workforce and enterprise development strategies recommended by EnterpriseKC would benefit greatly from the physical facilities enabled by a robust STAR bond program.

To close, it is important for all of us to remember that STAR bonds are about “growing the pie”; not just slicing it up differently. I urge each of you to consider the great development story that is western Wyandotte County and ask yourself whether that would have been possible

without the assistance of STAR bond financing. This is a tool that is working for Kansas. It will continue to work for us if we let it.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Clifford W. Illig". The signature is stylized with large loops and a long tail on the final letter.

Clifford W. Illig